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HOUSE BILL 1706  
By Buck

AN ACT to amend Tennessee Code Annotated, Title 4; Title 39; Title 40 and Title 53, to enact the "Drug Bounty Act of 1997".

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 39, Chapter 17, Part 4, is amended by adding the following new sections:

**Section 39-17-433.** Sections 39-17-433--39-17-441 of this act shall be known and may be cited as the "Drug Bounty Act of 1997".

**Section 39-17-434.** Notwithstanding the provisions of Tennessee Code Annotated, Section 40-33-211, or any other provision of law to the contrary, effective August 1, 1997, all property, conveyances and money subject to forfeiture pursuant to Tennessee Code Annotated, Section 53-11-451, or any other provision of law authorizing asset forfeiture for a violation of this part shall become property of the state of Tennessee.

**Section 39-17-435.**

(a) There is established a general fund reserve to be allocated through the general appropriations act, which shall be known as the "Tennessee Bounty Fund" (hereinafter the "Fund"). Such Fund shall be administered by the state treasurer. Moneys from the fund shall be expended for the purposes authorized by Section 39-17-437. Any revenues deposited in this reserve shall remain in the

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reserve until expended for purposes consistent with Section 39-17-437, and shall not revert to the general fund on any June 30. Any excess revenues or interest earned by such revenues shall not revert on any June 30, but shall remain available for appropriation in subsequent fiscal years. Any appropriation from such reserve shall not revert to the general fund on any June 30 but shall remain available for expenditure in subsequent fiscal years.

(b) The general assembly shall appropriate, through the general appropriations act, moneys from the Fund to the state treasurer. Such appropriations shall be specifically earmarked for the purposes set out in the "Drug Bounty Act of 1997" codified in Tennessee Code Annotated, Sections 39-17-433--39-17-441.

(c) All moneys appropriated from the Fund shall be used exclusively by the treasurer to pay cash incentives or bounties to approved eligible persons or agencies in accordance with the provisions of Sections 39-17-433 --39-17-441.

**Section 39-17-436.**

(a)(1) Effective August 1, 1997, when money seized pursuant to the provisions of Tennessee Code Annotated, Section 53-11-451(a)(6), or any other provision of law authorizing the seizure and forfeiture of money used or intended for use in violating a provision of this part is finally forfeited and no longer needed as evidence in a criminal trial, such money and a copy of the information regarding such seizure required to be kept pursuant to subpart (2) of this subsection shall, within ten (10) days of such final forfeiture date, be transmitted to the state treasurer for deposit in the Fund. Forfeited money shall be transmitted to the treasurer in such a manner as will enable the treasurer to keep each transaction separate.

(2) Each law enforcement agency seizing money described in subpart (a) shall keep the following information regarding each such seizure:

- (A) The amount of money seized;
- (B) The date the money was seized;
- (C) The name of the person or persons from whom it was seized, if any;
- (D) The location of the seizure;
- (E) Circumstances surrounding the seizure including the specific violation of this part resulting in the seizure, if any;
- (F) The name of the officer or officers making the seizure; and
- (G) The law enforcement agency employing the seizing officer or officers.

(b)(1) Effective August 1, 1997, when a conveyance or property other than money is seized pursuant to Tennessee Code Annotated, Section 53-11-451, Tennessee Code Annotated, Title 40, Chapter 33, Part 2, or any other provision of law authorizing the seizure and forfeiture of assets used or intended for use in violating a provision of this part, the seizing agency shall keep the following information on each such seizure:

- (A) A general description of the property seized;
- (B) The date the property was seized;
- (C) The name of the person or persons from whom it was seized, if any;
- (D) The location of the seizure;
- (E) If the property seized is a vehicle, the vehicle identification number (VIN);

(F) Circumstances surrounding the seizure including the specific violation of this part resulting in the seizure, if any;

(G) The name of the officer or officers making the seizure; and

(H) The law enforcement agency employing the seizing officer or officers.

(2) When the conveyance or property other than money is finally forfeited and no longer needed as evidence in a criminal trial, it shall be sold by the commissioner of general services at public auction in the manner provided by Tennessee Code Annotated, Section 39-11-116, for other forfeited property. Within ten (10) days of any such auction the commissioner shall transmit the proceeds from such forfeited conveyances or property and a copy of the information regarding such forfeiture required to be kept by subpart (1) of this subsection to the state treasurer for deposit in the Fund. Proceeds from forfeited property shall be transmitted to the treasurer in such a manner as will enable the treasurer to keep each transaction separate.

(c) The state treasurer shall deposit all forfeited money received from a law enforcement agency and the proceeds of all forfeited conveyances and property received by the commissioner of general services into the Fund. The treasurer shall, prior to deposit, devise a system to enable such treasurer to track, identify and search each deposit by each item of information provided by the law enforcement agency in the case of forfeited money and the commissioner of general services in the case of forfeited property.

**Section 39-17-437.** The Fund's proceeds shall be used exclusively for the following purposes:

(a) Payment of bounties to eligible informants;

(b) Payment of bounties to eligible law enforcement officers, law enforcement agencies and as general pay supplements to all qualified law enforcement personnel; and

(c) Payment of administrative costs associated with the implementation and operation of the "Drug Bounty Act of 1997".

**Section 39-17-438.**

(a) The Tennessee bureau of investigation, in consultation with the comptroller of the treasury and the state treasurer, shall establish, by rule promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5, an "Informant/Tipster Information Program" (hereinafter the "Program"). The purpose of the Program is to provide a mechanism and procedures whereby eligible members of the public and eligible law enforcement officers are encouraged and compensated to provide pertinent information within their knowledge to the appropriate authorities concerning the commission of a violation of this part.

(b) The Program may include any rule, regulation or requirement that the director of Tennessee bureau of investigation, in consultation with the comptroller of the treasury and the state treasurer, believes to be necessary for the safe, efficient and lawful operation of the "Drug Bounty Act of 1997" but the rules governing such Program shall make provisions for the following:

(1) Eligibility and other requirements an informant, law enforcement officer or agency must meet in order to receive a bounty from the Fund;

(2) A method and procedure for dividing Fund proceeds from a particular offense in the event of multiple approved informants, law enforcement officers or agencies;

(3) The method by which information reported by informants is collected, catalogued, stored and maintained by the bureau in a secure manner;

(4) The officials or agencies to whom informants may report relevant information and how such information is to be reported;

(5) The method by which the confidentiality of an informant is maintained and preserved if so requested by the informant;

(6) The method by which any information reported is verified;

(7) The method by which reported information is transmitted to the appropriate law enforcement agency for further investigation or arrest;

(8) Methods and restrictions to prevent informants or law enforcement officers from defrauding the Program and methods to detect, investigate and prosecute fraud in the Program;

(9) A method of certifying to the treasurer the names or identification numbers of persons who are approved to receive a bounty as the result of information concerning the commission of a specific violation of this part;

(10) The amounts of and eligibility requirements for the payment of bounties to informants or tipsters in drug cases where no money or property is forfeited;

(11) Verification controls and procedures to ensure the proper identification of an approved informant before authorizing payment of a bounty or actually paying such bounty; and

(12) A prohibition against any person being approved to receive a bounty based upon information provided concerning a covered offense if

at the time the information is given such person is under arrest for commission of the offense for which the information is given.

(c) The Program devised by the bureau shall be reviewed by the Fund Board created pursuant to Section 39-17-440 before its initial implementation and use and on an annual basis thereafter.

**Section 39-17-439.**

(a) Prior to making any expenditure from the Fund for the payment of a bounty as the result of information provided concerning a specific violation of this part, the bureau shall certify the names or identification numbers of persons and agencies approved to receive a portion of the forfeiture proceeds from such offense.

(b) Upon receiving certification from the bureau that the forfeiture proceeds derived from a specific violation of this part may be disbursed to approved persons and agencies, such proceeds shall be allocated as follows:

(1) Twenty-five percent (25%) to the informant or informants who are responsible for providing substantial information that leads to the arrest of the offender. If there is no informant in a particular case, the informant's share shall revert to the unallocated portion of the Fund.

(2) Forty-five percent (45 %) to the law enforcement community as follows:

(A) Fifteen percent (15%) to the arresting officer or officers;

(B) Fifteen percent (15%) to the principal law enforcement agency responsible for the arrest to be used for any drug enforcement-related activities except payment of salaries; and

(c) Fifteen percent (15%) to the law enforcement officers pay supplement plan, to be held until sufficient funds permit an annual distribution of at least fifty dollars (\$50.00) to all officers certified by the police officer standards and training commission. Such payments shall supplement and be made at the same time as the training supplement given to all P.O.S.T. officers.

(3) Ten percent (10%) to be used to pay administrative costs associated with the implementation and operation of the "Drug Bounty Act of 1997"; and

(4) Twenty percent (20%) to be held in an unallocated portion of the Fund to be used as provided in the Program for the payment of bounties to tipsters and informants in drug cases where no money or other property is forfeited.

**Section 39-17-440.**

(a) There is created the "Tennessee Bounty Fund Board" (hereinafter the "Board") to oversee and administer the "Drug Bounty Act of 1997", including the "Tennessee Bounty Fund" administered by the state treasurer and the "Informant/Tipster Information Program" established by the Tennessee bureau of investigation. For administrative, budgetary and reporting purposes, the Board shall be attached to the office of the state treasurer.

(b) The Board shall consist of the following members:

- (1) State Comptroller of the Treasury;
- (2) State Treasurer;
- (3) Director of the Tennessee Bureau of Investigation;
- (4) A representative from the Tennessee Sheriff's Association;



(5) A representative from the Tennessee Association of Municipal Police Chiefs;

(6) A representative from the Tennessee District Attorneys General Conference;

(7) A citizen to be appointed for a three (3) year term by the Governor;

(8) A citizen to be appointed for a two (2) year term by the Speaker of the Senate; and

(9) A citizen to be appointed for a four (4) year term by the Speaker of the House of Representatives;

(c) The citizen members of the Board may not be affiliated with law enforcement.

(d) The board shall meet on an annual basis to review the operation and effectiveness of the "Drug Bounty Act of 1997". At the call of the comptroller of the treasury, the board may meet more often than annually. The board shall have all authority and powers necessary to adequately review and oversee the operation of the Drug Bounty Act including the use of audits by the comptroller.

(e) The board may solicit, accept and receive any private donation or gift from a person or corporation for deposit in the Fund to be used for the purposes for which the Fund is created.

(f) The board shall develop or cause to be developed a statewide advertising and public awareness program to educate the public concerning the existence of the Drug Bounty Act of 1997, its provisions, requirements and restrictions and to promote its use in increasing the detection, arrest and conviction of drug offenders.

**Section 39-17-441.** On an annual basis the treasurer and director of the Tennessee bureau of investigation shall jointly file a report for and appear before the House and Senate Judiciary Committees to inform such committees of the operation of the "Drug Bounty Act of 1997". The report shall include for the preceding year the amount of money from forfeiture proceeds received by the fund, the number of tips and other informant information received by the Program, the number of informant bounty payments approved by the bureau, the amount of money paid out in approved bounties and any improvements or modifications to the Drug Bounty Act of 1997 recommended by either official.

SECTION 2. Tennessee Code Annotated, Section 4-29-220(A), is amended by adding the following new item:

( ) The "Tennessee Bounty Fund Board" created by Tennessee Code Annotated, Section 39-17-440;

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. For the purpose of promulgating rules and regulations to implement the "Drug Bounty Act of 1997", this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes it shall take effect on August 1, 1997, the public welfare requiring it.